

Message Text

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61

ACTION ARA-10

INFO OCT-01 ISO-00 SSO-00 NSCE-00 INRE-00 CIAE-00 PM-03

H-02 INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 TRSE-00 SEC-01 COME-00 SY-05 AGR-05 EB-07 /067 W

----- 061742

O 092212Z APR 75

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC NIACT IMMEDIATE 9692

INFO DIA WASHDC IMMEDIATE

USIA WASHDC IMMEDIATE

AMEMBASSY GUATEMALA IMMEDIATE

AMEMBASSY MANAGUA IMMEDIATE

AMEMBASSY SAN JOSE IMMEDIATE

AMEMBASSY SAN SALVADOR IMMEDIATE

USCINCSO

LIMITED OFFICIAL USE TEGUCIGALPA 1372

E.O. 11652: N/A

TAGS: PINT, HO

SUBJECT: UNITED BRANDS BRIBE STORY

1. THE FIRST PUBLIC ANNOUNCEMENT OF THE UNITED BRANDS
BRIBERY STORY WAS MADE ON RADIO MONUMENTAL AT 9:15 A.M.
SIMILAR STATEMENTS WERE SUBSEQUENTLY BROADCAST BY OTHER
STATIONS. THE FOLLOWING ARE THE MAIN POINTS CONTAINED
IN THE BROADCASTS:

(A) STATIONS WERE INFORMED THAT THE WALL STREET JOURNAL
HAD MADE IT KNOWN THAT UNITED BRANDS HAD PAID THE CHIEF
OF STATE OF HONDURAS, GENERAL OSWALDO LOPEZ ARELLANO, A
\$1,250,000 BRIBE IN ORDER TO AVOID PAYMENT OF BANANA TAX;

(B) APPARENTLY THERE IS SOME RELATION BETWEEN THE
SUICIDE OF ELY BLACK, PRESIDENT OF UNITED BRANDS, AND
THE BRIBERY;

(C) THE WALL STREET JOURNAL STATES THAT THE PRESIDENT
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OF HONDURAS IS NOT IN THE COUNTRY AND CAN'T BE LOCATED,

BUT IT POINTS OUT THAT FOR UNKNOWN REASONS, GENERAL LOPEZ WAS REMOVED FROM HIS POSITION AS CHIEF OF THE ARMED FORCES;
(D) UNITED BRANDS ADMITTED THE BRIBE WHEN THE WALL STREET JOURNAL ANNOUNCED IT HAD KNOWLEDGE OF THE CASE;
(E) UNITED BRANDS STATED THAT IT PAID \$1,250,000 TO A HIGH RANKING OFFICIAL OF A CENTRAL AMERICAN GOVERNMENT, AND THE SECURITIES AND EXCHANGE COMMISSION IS INVESTIGATING WHETHER THIS OFFICIAL IS GENERAL LOPEZ OR NOT; AND
(F) ACCORDING TO A DEPARTMENT OF STATE OFFICIAL, THE AMERICAN EMBASSY IN TEGUCIGALPA HAD CERTAIN INFORMATION CONCERNING THE BRIBE AND HAD TRANSMITTED IT TO THE DEPARTMENT OF STATE.

2. THE RADIOS HAVE BEEN ANNOUNCING THAT THE GOVERNMENT WILL ISSUE A COMMUNIQUE ON THE STORY. HOWEVER, NO COMMUNIQUE HAS BEEN ISSUED AS OF 3:00 P.M.

3. EL DIA, A TEGUCIGALPA AFTERNOON DAILY, CARRIED FRONT PAGE HEADLINE ASKING IF GENERAL LOPEZ HAD BEEN BRIBED. THE STORY REPEATS MOST OF THE ELEMENTS DESCRIBED IN PARAGRAPH 1.

4. THE SUPERIOR DEFENSE COUNCIL AND THE CABINET OF MINISTERS ARE REPORTEDLY MEETING THIS AFTERNOON TO DISCUSS THE BRIBERY STORY.

5. A COMMUNIQUE WAS ISSUED BY THE EMBASSY WHICH STATED THAT THE EMBASSY HAD NO PREVIOUS KNOWLEDGE OF ANY PRIVATE TRANSACTION THAT MAY HAVE EXISTED BETWEEN UNITED BRANDS AND HONDURAN OFFICIALS. THE COMMUNIQUE ALSO DENIED THAT THE EMBASSY HAD PASSED ON INFORMATION TO THE DEPARTMENT OF STATE CONCERNING THE BRIBE. THE COMMUNIQUE WAS READ ON THE RADIO AND APPEARED IN EL DIA.

6. UNITED BRANDS ALSO ISSUED A LOCAL DECLARATION STATING THAT NONE OF THEIR EMPLOYEES IN CENTRAL OR SOUTH AMERICA HAD ANYTHING TO DO WITH THE BRIBE. THE STATEMENT WAS PUBLISHED IN EL DIA AND WAS ANNOUNCED ON THE RADIO.

7. THERE IS NO TENSION EVIDENT IN TEGUCIGALPA NOR HAVE THERE BEEN ANY REPORTS THUS FAR OF THREATS OR VIOLENCE AGAINST LIMITED OFFICIAL USE

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U.S. CITIZENS OR PROPERTY IN HONDURAS.

8. COMMENT: THERE IS LITTLE DOUBT THAT THE MEDIA COVERAGE OF THE BRIBE STORY WILL BECOME MORE INTENSE IN THE COMING DAYS. CERTAINLY THE ROLE OF THE AMERICAN FRUIT COMPANIES IN HONDURAS WILL BECOME PRIME TARGETS FOR VARIOUS ELEMENTS OF THE PRESS. FURTHERMORE, THE EMBASSY EXPECTS THAT THE MISSION AND THE U.S. PRESENCE IN HONDURAS

GENERALLY WILL BE SUBJECTED TO NUMEROUS MEDIA ATTACKS.
SANCHEZ

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Message Attributes

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Disposition Date: 28 MAY 2004
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